

China's "Soft" Centralization: Shifting Tiao/Kuai Authority Relations

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This paper analyses China's recent attempts to counter "local protectionism" and establish standardization in policy implementation and enforcement by centralizing a growing number of its regulatory bureaucracies up to the provincial level (what I refer to as "soft" centralization). In this paper, I argue that Beijing's experiment with soft centralization, while successful to some extent, has nevertheless fallen short of its goals and that thus far this transformation remains imperfect and incomplete. The institutional cleavages and fragmentation that so often give rise to corruption and other pathologies of the state appear to have shifted from horizontal, geographic lines to vertical, functional ones. Moreover, the principal beneficiaries of this shift to centralized management are the provinces, not Beijing, as the institutional mechanisms of personnel and budgetary resource allocations are concentrated at the provincial level. Although this has curbed localism to a degree by transferring power from local governments to the newly centralized bureaucracies, it has also contributed to a situation in which newly-strengthened provinces may play a key role in the emergence of a sort of perverse federalism.